

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1031-02
Bill No.: HCS for HB 380
Subject: Education, Elementary and Secondary
Type: Original
Date: March 13, 2015

Bill Summary: This proposal creates a Career and Technical Education high school certificate.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)
Total Estimated Net Effect on General Revenue	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Elementary and Secondary Education (DESE)** assume this will result in additional costs due to data collection; however, they do not anticipate a cost greater than \$100,000. DESE defers to local school districts regarding the extent of any costs.

Officials at the **Kansas City Public Schools** assume they cannot determine the fiscal impact until such time as DESE outlines how they will promulgate rules to implement the proposed legislation. They currently have a CTE program and expect the impact to be minimal.

Officials at the **Malta Bend School District** and the **Riverview Garden School District** each assume there is no fiscal impact from this proposal.

Officials at the **Joint Committee on Administrative Rules** assume there is no fiscal impact from this proposal.

Oversight notes this proposal requires DESE to establish minimum requirements for a career and technical education high school certificate. DESE and school districts shall work together to determine the minimum number of hours of vocational offerings. Oversight assumes that DESE will be able to establish the career and technical education certificate with existing staff and resources. Oversight assumes that DESE will need less than \$100,000 for computer upgrades and data collection annually.

Oversight requested a list of the school districts that currently have approved career education programs. There are currently 446 that have an approved career education program out of the 448 school districts that have a high school. Oversight notes that the school districts that replied to Oversight's request for impact all currently have an approved career education program.

Oversight requested a list of the current vocational areas of study approved by DESE. Those areas are:

- Agriculture, Food and Natural Resources
- Business, Management and Administration
- Family Consumer Science and Human Services
 - Education and Training
 - Hospitality and Tourism
- Finance
- Health Science
- Information Technology

ASSUMPTION (continued)

- Marketing
- Science, Technology, Engineering and Mathematics (STEM)
Project Lead the Way
- Skilled Technical Sciences
Architecture and Construction
Arts, AV Technology and Communications
Law, Public Safety, Corrections and Security
Manufacturing
Transportation, Distribution and Logistics

In response to the previous version, officials from the **Office of the Secretary of State (SOS)** stated many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials at the following schools: Blue Springs Public Schools, Caruthersville School District, Columbia Public Schools, Everton R-III School District, Fair Grove Schools, Fulton Public School, Harrisonville School District, Independence Public Schools, Jefferson City Public Schools, Kansas City Public Schools, Kirksville Public Schools, Kirbyville R-VI Schools, Lee Summit Public Schools, Macon School, Mexico Public Schools, Monroe City R-I Schools, Nixa Public Schools, Parkway Public Schools, Pattonville Schools, Raymore-Peculiar R-III Schools, Raytown School District, Sedalia School District, Sikeston Public Schools, Silex Public Schools, Spickard School District, Springfield School District, St Joseph School District, St Louis Public Schools, St. Charles Public Schools, Sullivan Public Schools, Warren County R-III School District and Waynesville Public School did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
GENERAL REVENUE			
<u>Cost - Department of Elementary and Secondary Education - data collection</u>	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)
ESTIMATED NET EFFECT ON GENERAL REVENUE	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)
<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

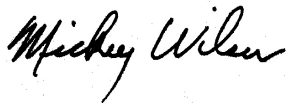
This bill requires the State Board of Education to establish minimum graduation requirements for a career and technical education (CTE) high school certificate. Students entering high school in the 2016-17 school year and thereafter will be eligible to earn a CTE certificate in addition to their high school diploma.

The CTE certificate will be based on requirements designed to provide students with technical skills and core academic skills to be ready for a career in a technical field. Curriculum, programs of study, and course offerings will be determined by the local school district based on the needs and interests of the district's students.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Joint Committee on Administrative Rules
Kansas City Public Schools
Malta Bend School District
Office of the Secretary of State

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
March 13, 2015

Ross Strobe
Assistant Director
March 13, 2015